

In this 21st century the world is globalizing rapidly and “Education” has occupied a centre stage whereby it enables an individual and thereof a society to transform into a knowledge hub. Economic backwardness of a country is linked to low efficiency and training of its human capital leading to lesser entrepreneurship and finally slow growth in knowledge. Apart from this, the countries that are ahead are characterized by high level of human capital whereby the educated work force has raised the output level and growth rate over a sustainable period of time. As such education rather being a choice has emerged as a tool of transformation of the society by impacting employment and indeed the economy of a country. Education is the fundamental factor that leads to development and no country can achieve sustainable economic development without substantial investment in human capital. Education not only helps to understand oneself but also the real world. It helps in improving the quality of life and leads to broad social benefits to individuals and society. Education raises productivity and creativity of an individual and promotes entrepreneurship and technological advances. It also helps in securing economic and social progress as well as in improving distribution of income. In this current scenario, it is very important that our educational standards are enhanced which will improve the knowledge, problem solving skills so that the students of our country can compete globally.

In India, such a target could be achieved by putting forth another revolution in the education sector especially in higher education which must emphasize on increasing the gross enrolment ratio which is very less in India. Also, increased participation of disadvantaged communities as well as women is needed, recruitment of highly qualified staff and improve the standards of teaching and research, more autonomy and financial support to higher educational institutions, access to resources to all the students and institutes, ICT based education with practical and vocational trainings and hands on experience, accountability of and to all the stakeholders as well as the students. All this cannot be achieved at one go and without the financial support and therefore needs to be regulated and channelized with special allocation of budget and funding by the state and centre government.

India needs to have a vision for transforming itself into a knowledge based excellence centre as per global standards by providing such an educational environment which provides qualitative and equitable access to choice of subjects as per needs and requirements of the stakeholders and industry and must promote entrepreneurship as well as leadership qualities along with sense of responsibility among the students. To achieve such a target certain objectives must be looked upon so that higher education is in the reach of one and all and it must include:

1. Poor and economic weaker sections, divyang students and women.
2. Quality staff as well involvement of resource person with expertise from industry.
3. Orientation of staff and students with relevant curriculum and practices.
4. Public-Private partnership as well as set up of new institutions with integration of vocational education in higher education as well as collaborations with centers of excellence globally.

5. To support and promote interdisciplinary and multidisciplinary studies and stress on innovation and entrepreneurship skills.
6. Student representatives must be involved in the various stages of decision making process concerned with educational policies, activities and management. Higher education should primarily be student centric and their aspirations need to be the driving force.

Fundamental skills learned even at the primary school level can make a critical difference for the survival of poor or low-income families during the time of economic crisis or when government services fall short off. The widening of educational access thus can help to eradicate poverty even before it begins to yield returns in the labour market. Education is also an important contributor to technological capability and technical change in industry. The higher the level of education of the work force the higher the overall productivity of capital because the more educated are more likely to innovate and thus affect everyone's productivity. India's educational system has been highly fragmented and segmented which created some intractable problems in the optimal utilization of human resources under the given labour market conditions. The education and skills of a developing country's labour force influence the nature of its factor endowment and consequently the composition of its trade. As education becomes more broadly based, low-income people are better able to seek out economic opportunities. Education may affect per capita income growth via its impact on the denominator, i.e. population growth. No country has achieved constant economic development without considerable investment in human capital.

Education of the poor helps improve their food intake not only by raising their incomes and spending on food but also by inducing them to make better and healthier choices. It also induces larger investments in education and other human capital since rates of return on these investments are greater when the expected amount of working time is greater. It is widely accepted that in order to adapt to an environment of stronger competition and to a world emphasizing the role of information, knowledge and skills; advanced economies need continuously to upgrade the overall quality of their labour force. Progress in education expanded enrolments and longer schooling has contributed to this growth and so has helped to reduce poverty in developing countries.

There are abundant opportunities and ample means available to the nation to achieve the objective of creating additional employment opportunities. The public organized sector however cannot be the target area since it will continue to shed jobs for quite some time. Although, the growth of the private organized sector will contribute significantly to the growth of the economy, its contribution to employment generation will be quite modest, since total employment in this sector at present represents only 2.5 per cent of all jobs. The largest number of new jobs will be created by small and medium enterprises (SMEs) which contribute the vast majority of private sector jobs in more advanced economies such as the USA, Japan and Korea. International experience confirms that SMEs are better insulated from the external shocks, more resistant to the stresses and more responsive to the demands of the fast changing technology adoption, globalization and entrepreneurial development. Employment has nearly tripled in India's small and medium sector over the past 20 years. A repetition of this performance would generate an additional 150-200 million jobs by 2025.

A comprehensive package of venture capital, credit, liberalization of controls, technology, training, marketing and management measures is needed to ensure continuous expansion of this sector.

A number of highly employable potential sectors are available which includes agro-industry and agri-business, commercial agriculture, forestation (for pulp, fuel and power), retail and wholesale trade tourism, housing and construction, IT and IT-enabled services, transport and communications, education, health and financial services. While all these sectors are already expanding still a wide range of strategies and policies are available to stimulate more rapid development. Induction of advanced crop technology will reduce production costs and expand the market for important commercial crops. Also, if agro-industries are properly linked to technology driven downstream processes it would help in reducing waste and spoilage of perishable goods to a great extent thereby reducing losses as well as help in sustainable development by reducing stress on environment and also help in broadening the range of marketable products leading to increased income leading to development and a stronger economy.

India is an agriculture based country but the farmers were either uneducated or were not equipped with latest machinery as well as technical knowhow. As such, development was never seen as compared to other developed countries. So, if education and vocational training to farmers in their local language along with grants and machinery is made accessible to them, India can outshine everyone in the world. Evidence suggests positive effects of education on productivity among farmers using modern technologies as compared to those using traditional methods. In Thailand, farmers with four or more years of schooling were three times more likely to adopt fertilizer and other modern inputs than less educated farmers. Similarly, in Nepal, the completion of at least seven years of schooling increased productivity in wheat by over a quarter and in rice by 13%.

Adoption of an agriculture based energy policy focusing on production of fuel oil and biomass power could generate millions of additional on farm jobs and lucrative alternative markets for farm produce while reducing the country's dependence on imported fuels. Tourism related occupations presently employ only 5.6 per cent of the Indian workforce, compared to 10.8 per cent globally. Development of India's tourism infrastructure, combined with modifications in air transport, hotel rates and tax policies could generate an additional 25 million employment opportunities in this sector. Outsourcing of services by OECD countries will fuel a rapid expansion of IT and IT enabled services generating millions of jobs within the country. The country will also require millions of additional teachers and medical professionals to meet the surging demand for education and health services which will further be beneficial in creating employment as well as more investment and earnings thereby strengthening economy with satisfying people.

Currently, only 5% of the labour force in India in the age group of 20-24 has undergone formal vocational training as compared to developed nations like Mexico and Korea with levels ranging from 28% to 96% respectively. To enhance the country's employable skills a comprehensive strategy is needed which must include a network of around 1 lakh vocational training institutes with a wide range of training courses and skills to be imparted with the active involvement of the private sector to support development. These will provide low cost and high quality training to over 20 million workers in a year which would be around 5

times the existing numbers. Similar effort would be needed to enhance the skills of Indian farmers who represent around 55 % of the total workforce. It would be achieved by expanding the the network of existing Krishi Vigyan Kendras which would provide practical demonstration and training on lands leased from farmers in the local community. Thus the knowledge and skill of our workforce would be a major determinant of economic growth rate as well as the type and number of jobs we create. The 21st century is witnessing unprecedented changes in the sphere of development. The enrolment ratio which is 10 % in India is projected to double in the next five years while the Universities are being upgraded through a vigorous programme of faculty development, scholarships and stipends to the poor, curriculum revision, equipping laboratories and libraries, connectivity to pooled and shared resources and emphasis on research. A recent report of PricewaterhouseCoopers points out that by 2050, India will overtake Japan and UK (in terms of US dollar) and Indian GDP will be equivalent to that of the United States (in PPP terms).

India is likely to have a demographic advantage in the world as per UN world population database which suggests that one in five of the work force in the world will be from India with the working age population of 15-64 years. This would be highest in India in the future globally, although the challenge of providing jobs for this large working community will remain a question mark. This vast human resources base is a tremendous opportunity but at the same time also a difficult challenge in terms of effective utilization of these resources. India will need to increase its Gross Enrolment Rate in higher education and skills in its youth to take advantage of this demographic dividend. The existing education system in India will have to make a visible shift to integrate analytical and technical skills for research and innovation. Unless we are able to achieve the goal of effectively cultivating such skills in our young population, it is impractical to visualize India as a prosperous nation in the future.

With greatest hope and concerted efforts by us all it is very likely that by 2025, the people of India will be more numerous, better educated, healthier and more prosperous than at any time in our long history. All this will owe to a balanced education system which will promote not only economic development but productivity and generate individual per capita income. Education is indispensable to economic development.

Source of data

A lot of secondary data and information has been extensively analyzed for preparing the paper. This secondary information has been collected from various articles published in magazines, newspapers, books, journals, periodicals and various search engines and websites having reports and survey published by various government agencies. Moreover, the academic knowledge and experience of the author of this paper has been used.